

January 19, 1984

LB 260

all those small town little stores, I would have to oppose the advancement of this bill. Thank you, Senator.

PRESIDENT: Before we proceed, the Chair would like to announce that a friend of Senator Wagner's is under the south balcony who is from Senator Lamb's district. His name is Jerry Reinhardt from Broken Bow. We welcome him to the Legislature, and a guest of Senator Nichol under the south balcony is Mr. James Brison, Superintendent of Schools at Scottsbluff, and formerly from my town of Ogallala. Welcome to the Legislature. All right, is there further...Senator Goll, do you wish to speak on the bill?

SENATOR GOLL: Mr. Speaker and colleagues, I have a question for Senator DeCamp. This bill now applies to retail installment contracts, is that correct?

SENATOR DECAMP: Okay, it is an exemption to the retail installment contracts, right.

SENATOR GOLL: And this bill says that we are going to exempt from the maximum allowable interest rate any installment contracts made for purposes of agricultural, business, and so forth. Now does this apply to retail installment contracts for the purchase of tractors, trucks, automobiles, and any other mobile type of equipment?

SENATOR DECAMP: It is my understanding it does.

SENATOR GOLL: Then does this mean...

SENATOR DECAMP: That is only if mutually agreed upon.

SENATOR GOLL: Does this mean that a consumer who wants to purchase, let's take a small farmer that wants to purchase a used tractor and let's assume that the law now says that the merchant can only charge 18 percent simple interest per annum, and does that mean that the merchant could charge that farmer 30 percent if it was mutually agreed upon or 25 percent?

SENATOR DECAMP: Yes, I think that is true. You see, we already have that situation anyway in all...most banks, S & L's, they can charge what they want. There are no usury